

**Louisiana Wildlife  
and  
Fisheries Foundation  
Baton Rouge, Louisiana  
December 31, 2010**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

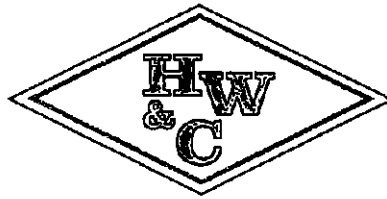
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June 28, 2011

**Independent Auditor's Report**

Board of Directors  
Louisiana Wildlife and Fisheries Foundation  
Baton Rouge, Louisiana

We have audited the accompanying statements of financial position of the Louisiana Wildlife and Fisheries Foundation as of December 31, 2010 and 2009, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Louisiana Wildlife and Fisheries Foundation as of December 31, 2010 and 2009, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 28, 2011 on our consideration of the Louisiana Wildlife and Fisheries Foundation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important in assessing the results of our audit.

Yours truly,

*Hawthorn, Waymouth & Carroll, LLP*

**Louisiana Wildlife and Fisheries Foundation**  
**Statements of Financial Position**  
**December 31, 2010 and 2009**

	<u>2010</u>	<u>2009</u>
<b>Assets</b>		
Cash	\$6,381,552	\$1,365,375
Time deposits	750,000	3,890,806
Unconditional promise to give, current	31,250	31,250
Accrued interest receivable	<u>461</u>	<u>12,719</u>
	7,163,263	5,300,150
 <b>Equipment, Net of Depreciation</b>	 303	 910
 <b>Long-Term Unconditional Promise to Give, Net of Discounts</b>	 <u>30,392</u>	 <u>60,674</u>
<b><u>Total assets</u></b>	<b><u>7,193,958</u></b>	<b><u>5,361,734</u></b>
 <b>Liabilities</b>		
Accounts payable	157,888	20,041
Accrued expenses	<u>1,099</u>	<u>2,137</u>
<b><u>Total liabilities</u></b>	<b><u>158,987</u></b>	<b><u>22,178</u></b>
 <b>Net Assets</b>		
Unrestricted	1,199,120	1,007,960
Temporarily restricted	<u>5,835,851</u>	<u>4,331,596</u>
<b><u>Total net assets</u></b>	<b><u>7,034,971</u></b>	<b><u>5,339,556</u></b>
<b><u>Total liabilities and net assets</u></b>	<b><u>7,193,958</u></b>	<b><u>5,361,734</u></b>

The accompanying notes are an integral part of these financial statements.

**Louisiana Wildlife and Fisheries Foundation**  
**Statements of Activities**  
**Years Ended December 31, 2010 and 2009**

	<u>December 31, 2010</u>			<u>December 31, 2009</u>		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2010 Total</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2009 Total</u>
<b>Revenues and Other Support</b>						
Contributions	\$202,799	\$3,047,317	\$3,250,116	\$146,801	\$274,676	\$421,477
Interest	89,834		89,834	107,396		107,396
Net assets released from restrictions	<u>1,543,062</u>	<u>(1,543,062)</u>		<u>35,722</u>	<u>(35,722)</u>	
<b>Total revenues and other support</b>	<u>1,835,695</u>	<u>1,504,255</u>	<u>3,339,950</u>	<u>289,919</u>	<u>238,954</u>	<u>528,873</u>
<b>Expenses</b>						
Grants (Projects)	1,403,751		1,403,751	19,977		19,977
Programs	86,167		86,167	52,921		52,921
Other program expenses	<u>78,980</u>		<u>78,980</u>	<u>58,767</u>		<u>58,767</u>
Total program expenses	<u>1,568,898</u>		<u>1,568,898</u>	<u>131,665</u>		<u>131,665</u>
Management and general expenses	44,744		44,744	29,827		29,827
Fund raising expenses	<u>30,893</u>		<u>30,893</u>	<u>61,450</u>		<u>61,450</u>
Total management and funding raising expenses	<u>75,637</u>		<u>75,637</u>	<u>91,277</u>		<u>91,277</u>
<b>Total expenses</b>	<u>1,644,535</u>		<u>1,644,535</u>	<u>222,942</u>		<u>222,942</u>
<b>Increase in Net Assets</b>	191,160	1,504,255	1,695,415	66,977	238,954	305,931
<b>Net Assets</b>						
Beginning of year	<u>1,007,960</u>	<u>4,331,596</u>	<u>5,339,556</u>	<u>940,983</u>	<u>4,092,642</u>	<u>5,033,625</u>
End of year	<u>1,199,120</u>	<u>5,835,851</u>	<u>7,034,971</u>	<u>1,007,960</u>	<u>4,331,596</u>	<u>5,339,556</u>

The accompanying notes are an integral part of these financial statements.

**Louisiana Wildlife and Fisheries Foundation**  
**Statements of Cash Flows**  
**Years Ended December 31, 2010 and 2009**

	<u><b>2010</b></u>	<u><b>2009</b></u>
<b>Cash Flows from Operating Activities</b>		
Increase in net assets	\$1,695,415	\$305,931
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation	607	607
Equipment contributed		6,199
(Increase) Decrease in accrued interest receivable	12,258	17,636
Decrease in unconditional promises to give	30,282	29,447
Increase (Decrease) in accounts payable	137,847	18,225
Decrease in accrued expenses	<u>(1,038)</u>	<u>(44)</u>
<u>Net cash provided by operating activities</u>	<u>1,875,371</u>	<u>378,001</u>
<b>Cash Flows from Investing Activities</b>		
Time deposits redeemed	3,140,806	3,017,760
Acquisition of time deposits	<u>          </u>	<u>(3,327,429)</u>
<u>Net cash provided by (used in) investing activities</u>	<u>3,140,806</u>	<u>(309,669)</u>
<b>Net Increase in Cash and Cash Equivalents</b>	5,016,177	68,332
<b>Cash and Cash Equivalents</b>		
Beginning of year	<u>1,365,375</u>	<u>1,297,043</u>
End of year	<u><u>6,381,552</u></u>	<u><u>1,365,375</u></u>

The accompanying notes are an integral part of these financial statements.

**Louisiana Wildlife and Fisheries Foundation**  
**Notes to Financial Statements**  
**December 31, 2010**

**Note 1-Summary of Significant Accounting Policies**

**A. Nature of Activities**

The Louisiana Wildlife and Fisheries Foundation (the Foundation) was incorporated in Louisiana on August 8, 1996. The Foundation was organized solely for the benefit of and in connection with the work of the Louisiana Department of Wildlife and Fisheries (the Department) and the Louisiana Wildlife and Fisheries Commission (the Commission) including promotion, development, expansion and improvement of the facilities of the Department and Commission. The Foundation exists to encourage public conservation and enjoyment of wildlife and fisheries resources, and to increase the usefulness of the Department and Commission to the citizens of the State of Louisiana. The Foundation provides a means for individuals and corporations to become partners with the Department and Commission in the conservation of Louisiana's fish and wildlife resources, and has spearheaded a multitude of projects including cooperative endeavors with state and federal agencies and the private sector fisheries and wildlife enhancement.

The Foundation, in cooperation with other organizations representing the seafood industry, is conducting a campaign funded by British Petroleum to promote the safety and quality of the Gulf of Mexico seafood products following the 2010 Gulf of Mexico Oil Spill.

**B. Basis of Presentation**

The financial statements have been prepared on the accrual basis of accounting.

The Foundation reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted. Unrestricted net assets are resources that are free of donor-imposed or time restrictions and are available at the direction of the governing board. Temporarily restricted net assets are resources that are limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the organization pursuant to those stipulations. Permanently restricted net assets are those resources whose use by the organization is limited to donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Foundation. The Foundation does not currently have any permanently restricted net assets.

**C. Cash and Cash Equivalents**

Cash equivalents consist of cash balances other than those classified as time deposits which have maturities of three months or less. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

For purposes of the statements of cash flows, the Foundation does not consider time deposits with maturities of ninety days or less when acquired to be cash equivalents.

**Louisiana Wildlife and Fisheries Foundation**  
**Notes to Financial Statements**  
**December 31, 2010**

**Note 1-Summary of Significant Accounting Policies (Continued)**

**D. Contributions**

The Foundation reports gifts of cash and other assets as restricted contributions when they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires (such as when the stipulated time restriction ends or the purpose of the restriction is accomplished) temporarily restricted net assets are released to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Net assets are primarily released from donor restrictions after the purpose of the restriction is accomplished. Donor restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying financial statements.

**E. Accounting Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make certain estimates and assumptions. Those estimates affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**F. Gifts of Marketable Securities and Other Items**

Gifts of marketable securities and other noncash items are recorded as contributions at their fair values at the date of the donation.

**G. Donated Services**

No amounts have been reflected in the financial statements for donated services. The Foundation pays for most services requiring specific expertise. However, many individuals volunteer their time, especially the Board of Directors, and perform a variety of tasks that assist the Foundation with its activities.

**H. Fixed Assets and Depreciation**

Fixed assets are recorded at cost. Depreciation is recognized on the straight-line method over the estimated service lives of five years.

**I. Grants**

Grants are recorded as expenses when they are approved by the Board of Directors for payment.



**Louisiana Wildlife and Fisheries Foundation**  
**Notes to Financial Statements**  
**December 31, 2010**

**Note 1-Summary of Significant Accounting Policies (Continued)**

**J. Functional Expenses**

Functional expenses not directly attributable are allocated between program, management and general, and fund raising expenses based upon an estimate of employee time spent on each function. Management and general expenses include those expenses that are not directly identifiable with other specific functions but provide for the overall support and direction of the Foundation.

**K. Advertising Costs**

Advertising costs are expensed as incurred. Total advertising costs were \$4,853 and \$721 for the years ended December 31, 2010 and 2009, respectively.

**L. Income Tax**

The Foundation is a nonprofit organization, not classified as a private foundation, which has qualified as non-profit under Section 501(c)(3) of the Internal Revenue Code and is not subject to federal or state income tax.

The Foundation adopted the accounting guidance related to accounting for uncertainty in income taxes, which sets out a consistent framework to determine the appropriate level of tax reserves to maintain for uncertain tax positions. The Foundation recognizes the effect of income tax positions only if the positions are more likely than not of being sustained. Recognized income tax positions are recorded at the largest amount that is greater than 50% likely of being realized. Changes in the recognition or measurement are reflected in the period in which the change in judgment occurs.

The Foundation has evaluated its positions regarding the accounting for uncertain income tax positions and does not believe that it has any material uncertain tax positions. With few exceptions, the Foundation is no longer subject to federal, state, or local tax examinations by tax authorities for years before December 31, 2007.

**Note 2-Proceeds of Consent Decree**

On December 31, 2005, a consent decree between ExxonMobil Corporation and the U.S. Environmental Protection Agency and the Louisiana Department of Environmental Quality awarded the Foundation \$1,700,000 to be used exclusively for the acquisition of coastal lands which are (a) important as fish and wildlife habitat, or (b) important to the enhancement of the state's coastal restoration effort or both. Once acquisition of the above reference lands has been accomplished, the Foundation will execute an act (or acts) of donation(s) of said lands to the Department and the Commission.

On April 28, 2006, a consent decree between Chalmette Refining, L.L.C. and the Louisiana Department of Environmental Quality awarded the Foundation \$2,000,000 to be used for the same purposes and with the same stipulations outlined in the preceding paragraph.

**Louisiana Wildlife and Fisheries Foundation**  
**Notes to Financial Statements**  
**December 31, 2010**

**Note 3-Equipment**

Equipment is as follows:

	<u><b>2010</b></u>	<u><b>2009</b></u>
Office equipment	\$3,035	\$3,035
Less accumulated depreciation	<u>2,732</u>	<u>2,125</u>
<u><b>Total equipment</b></u>	<u><b>303</b></u>	<u><b>910</b></u>
Depreciation expense	<u><b>607</b></u>	<u><b>607</b></u>

**Note 4-Unconditional Promises to Give**

The Foundation has 2,575 acres under supervision that are subject to conservation easements. The donor has pledged to maintain, in perpetuity, certain properties as natural habitats. Since no property rights were conveyed to the Foundation, no contribution or assets have been recorded in the accompanying financial statements.

The Foundation is, however, obligated, in perpetuity, to monitor the status of the property to assure it is maintained in the condition specified in the terms of the easement. The cost of this perpetual obligation cannot be reasonably estimated and no provision for this obligation is included in the accompanying statements of financial position.

The owner of the property pledged a total of \$175,000 to offset the Foundation's future costs of managing the easement. \$31,250 of the unconditional promise to give was received by the Foundation in 2010 and 2009, respectively. The remaining balance of the unconditional promise to give is reported as "Temporarily Restricted" on the balance sheet at December 31, 2010 as follows:

<u><b>Payment Date</b></u>	<u><b>Amount</b></u>	<u><b>Discounted Value</b></u>
January, 2011	\$31,250	\$31,250
January, 2012	<u>31,000</u>	<u>30,392</u>
	<u><b>62,250</b></u>	<u><b>61,642</b></u>

**Note 5-Net Assets**

Temporarily restricted net assets consist of the following:

	<u><b>2010</b></u>	<u><b>2009</b></u>
Various wildlife and fisheries projects	\$877,308	\$631,596
Seafood promotion	1,258,543	
Proceeds from ExxonMobil consent decree	1,700,000	1,700,000
Proceeds from Chalmette Refining, LLC consent decree	<u>2,000,000</u>	<u>2,000,000</u>
	<u><b>5,835,851</b></u>	<u><b>4,331,596</b></u>

**Louisiana Wildlife and Fisheries Foundation**  
**Notes to Financial Statements**  
**December 31, 2010**

**Note 6-Concentrations of Credit Risk**

Financial instruments that potentially subject the Foundation to concentrations of credit risks consist of cash and time deposits. The Foundation maintains deposits in financial institutions located in the State of Louisiana and at times account balances may exceed federally insured limits.

At December 31, 2010 and 2009, account balances in excess of the federally insured limits totaled \$6,131,553 and \$1,323,954, respectively.

**Note 7-Subsequent Events**

The Louisiana Wildlife and Fisheries Foundation evaluated all subsequent events through June 28, 2011, the date the financial statements were available to be issued.

HAWTHORN, WAYMOUTH & CARROLL, L.L.P.

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June 28, 2011

**Report on Internal Control over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards***

Officers and Trustees  
Louisiana Wildlife and Fisheries Foundation  
Baton Rouge, Louisiana

We have audited the financial statements of the Louisiana Wildlife and Fisheries Foundation as of and for the year ended December 31, 2010, and have issued our report thereon dated June 28, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Louisiana Wildlife and Fisheries Foundation's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Louisiana Wildlife and Fisheries Foundation's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Louisiana Wildlife and Fisheries Foundation's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board of Directors, management, the Louisiana Legislative Auditor, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513 this report is distributed by the Legislative Auditor as a public document.

Yours truly,

*Hawthorn, Weymouth & Carroll, LLP*

**Louisiana Wildlife and Fisheries Foundation  
Schedule of Findings and Questioned Costs  
December 31, 2010**

**Findings - Financial Statement Audit**

None.

**Louisiana Wildlife and Fisheries Foundation  
Schedule of Prior Year Findings  
December 31, 2010**

**Findings - Financial Statement Audit**

None.